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IAEA

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D.C. 20505

National Intelligence Council

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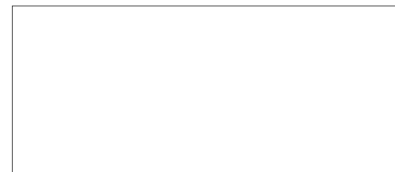
MEMORANDUM FOR THE RECORD

SUBJECT: IG Meeting on the IAEA

1. Appropriations Difficulties. The meeting this afternoon at State, chaired by Assistant Secretary (OES) James Malone, opened on the note that the Senate Appropriations Committee had zeroed out US voluntary contributions (\$14.5 million) to the IAEA for FY 1983 in the Senate Appropriations Bill. Secretary Shultz has written a letter to Senator Kastens protesting this action. Malone also said that, contrary to what had been reported in today's Post, Under Secretary R. Kennedy did not say that the US was returning to the IAEA shortly. Actually, the Secretary had said that the US would "shortly complete its reassessment" of its role in the IAEA.

2. Decision Paper to be Prepared. Without much debate, Malone asked that a decision paper be prepared that proposes the adoption of the option for a "phased" US return to the IAEA. It will include some elaboration of priorities and will be cast in provisional terms. Deputy Secretary K. Davis (DOE) noted that we should try to get the Soviets "on board" before specific actions are taken. The decision paper will also include proposals for the timing of a held-up US \$8.5 million payment to the IAEA (after the meeting State got word that the \$8.5 million also had been scrubbed in Kastens' committee).

3. Next Steps. There will be a final IG Meeting next week to review the decision paper en route to moving it to the SIG and then "on up" for a decision.



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